

## **IC 36-1-21**

### **Chapter 21. Contracting With a Unit**

#### **IC 36-1-21-1**

##### **Applicability**

Sec. 1. This chapter applies only to a unit.

*As added by P.L.135-2012, SEC.8.*

#### **IC 36-1-21-2**

##### **"Elected official"**

Sec. 2. As used in this chapter, "elected official" means:

- (1) the executive or a member of the executive body of the unit;
- (2) a member of the legislative body of the unit; or
- (3) a member of the fiscal body of the unit.

*As added by P.L.135-2012, SEC.8.*

#### **IC 36-1-21-3**

##### **"Relative"**

Sec. 3. (a) As used in this chapter, "relative" means any of the following:

- (1) A spouse.
- (2) A parent or stepparent.
- (3) A child or stepchild.
- (4) A brother, sister, stepbrother, or stepsister.
- (5) A niece or nephew.
- (6) An aunt or uncle.
- (7) A daughter-in-law or son-in-law.

(b) For purposes of this section, an adopted child of an individual is treated as a natural child of the individual.

(c) For purposes of this section, the terms "brother" and "sister" include a brother or sister by the half blood.

*As added by P.L.135-2012, SEC.8.*

#### **IC 36-1-21-4**

##### **Adoption of more stringent or detailed requirements**

Sec. 4. (a) This chapter establishes minimum requirements regarding contracting with a unit. The legislative body of the unit shall adopt a policy that includes, at a minimum, the requirements set forth in this chapter. However, the policy may:

- (1) include requirements that are more stringent or detailed than any provision in this chapter; and
- (2) apply to individuals who are exempted or excluded from the application of this chapter.

The unit may prohibit or restrict an individual from entering into a contract with the unit that is not otherwise prohibited or restricted by this chapter.

(b) The annual report filed by a unit with the state board of accounts under IC 5-11-13-1 must include a statement by the executive of the unit stating whether the unit has implemented a policy under this chapter.

*As added by P.L.135-2012, SEC.8.*

### **IC 36-1-21-5**

#### **Contract disclosure requirements**

Sec. 5. (a) A unit may enter into a contract or renew a contract for the procurement of goods and services or a contract for public works with:

- (1) an individual who is a relative of an elected official; or
- (2) a business entity that is wholly or partially owned by a relative of an elected official;

only if the requirements of this section are satisfied and the elected official does not violate IC 35-44.1-1-4.

(b) A unit may enter into a contract or renew a contract with an individual or business entity described in subsection (a) if:

- (1) the elected official files with the unit a full disclosure, which must:

- (A) be in writing;
- (B) describe the contract or purchase to be made by the unit;
- (C) describe the relationship that the elected official has to the individual or business entity that contracts or purchases;
- (D) be affirmed under penalty of perjury;
- (E) be submitted to the legislative body of the unit and be accepted by the legislative body in a public meeting of the unit prior to final action on the contract or purchase; and
- (F) be filed, not later than fifteen (15) days after final action on the contract or purchase, with:
  - (i) the state board of accounts; and
  - (ii) the clerk of the circuit court in the county where the unit takes final action on the contract or purchase;

- (2) the appropriate agency of the unit:

- (A) makes a certified statement that the contract amount or purchase price was the lowest amount or price bid or offered; or
- (B) makes a certified statement of the reasons why the vendor or contractor was selected; and

- (3) the unit satisfies any other requirements under IC 5-22 or IC 36-1-12.

(c) An elected official shall also comply with the disclosure provisions of IC 35-44.1-1-4, if applicable.

(d) This section does not affect the initial term of a contract in existence at the time the term of office of the elected official of the unit begins.

*As added by P.L.135-2012, SEC.8. Amended by P.L.13-2013, SEC.150.*

### **IC 36-1-21-6**

#### **Annual certification by officer**

Sec. 6. Each elected officer of the unit shall annually certify in writing, subject to the penalties for perjury, that the officer is in compliance with this chapter. An officer shall submit the certification

to the executive of the unit not later than December 31 of each year.  
*As added by P.L.135-2012, SEC.8.*

**IC 36-1-21-7**

**Noncompliance reported to the department of local government finance**

Sec. 7. If the state board of accounts finds that a unit has not implemented a policy under this chapter, the state board of accounts shall forward the information to the department of local government finance.

*As added by P.L.135-2012, SEC.8.*

**IC 36-1-21-8**

**Budget or additional appropriations may not be approved**

Sec. 8. If a unit has not implemented a policy under this chapter, the department of local government finance may not approve:

(1) the unit's budget; or

(2) any additional appropriations for the unit;

for the ensuing calendar year until the state board of accounts certifies to the department of local government finance that the unit has adopted a policy under this chapter.

*As added by P.L.135-2012, SEC.8.*